

Form – Security for Maintenance – Maintenance and Guaranty Bond

Amount \$ _____

Bond No. _____

MAINTENANCE/GUARANTY BOND
(Security for Maintenance)

KNOW ALL MEN BY THESE PRESENTS, that we _____ (developer) as Principal, and _____, a corporation (bond company and surety), duly authorized to do surety business in the State of Washington, as Surety, are jointly and severally held and bound unto the CITY OF MARYSVILLE in the sum of _____ (\$ _____) for the payment of which we jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns, firmly by these presents.

THE CONDITION OF THIS BOND IS SUCH THAT, WHEREAS, the above named Principal is obligated to the City to monitor and report, maintain and warrant, repair and replace improvements to the satisfaction of City as next set out for the duration stated:

Description of Improvements

Duration of Obligation

For that certain project known as _____

NOW, THEREFORE, the condition of this obligation is such, that if the above Principal shall well and truly monitor, report, maintain and warrant, repair and replace the improvements to the satisfaction of City, or at the option of City, indemnify City for all loss that City may sustain by reason of any failure to monitor or report, or by reason of defective materials or workmanship for the duration of the obligation from and after acceptance of said improvements by the City, then this obligation shall be void, otherwise it shall remain in full force and effect jointly and severally as to principal and surety.

This Maintenance/Guaranty Bond (security for maintenance) obligates principal and surety to warrant, monitor, report, maintain, and replace improvements for the duration of the obligation. If City shall grant acceptance of some improvements, but not all improvements at the same time, this obligation shall become effective as to each improvement as and when that improvement is accepted and shall remain in effect for the stated duration for each improvement from the date of its acceptance. If required monitoring, reporting, maintenance, warranty, repair and replacement does not occur in accordance with City standards to the satisfaction of the City, then the Surety shall within

thirty days of demand from the City make a written commitment to the City that it will either:

(a) remedy the default itself with reasonable diligence pursuant to a time schedule acceptable to the City; or

(b) Tender to the City within an additional fifteen (15) days the amount necessary, as determined in good faith by the City, for the City to remedy the default up to the total amount of the bond. Said estimate shall include reasonable City administrative overhead costs, legal costs, and attorney's fees.

Upon completion of the duties of the Surety under either of the options above, the Surety shall then have fulfilled its obligations under this Bond, except that if option (b) above is elected by the Surety, and the City's actual costs exceed the estimate, Surety shall pay the City such excess up to the maximum amount of this Bond. Under option (b) City shall notify the surety of the actual cost of the remedy. In the event that City's estimate exceeded the City's actual costs (including administrative overhead costs, legal costs and attorney's fees) the City shall return such excess to the Surety without interest.

This bond and security for maintenance also shall extend to and secure all of the City's administrative overhead costs and all legal costs and reasonable attorneys fees incurred by City in seeking and securing performance by the principal, surety and any other obligated party to the maximum value or penal sum of this bond.

In the event of any ambiguity concerning the obligation herein, this Bond and Security for Maintenance shall be construed, interpreted and enforced in accordance with the intent and provisions of Chapter 22G.040 Marysville Municipal Code.

IN WITNESS WHEREOF, the signature of the said Principal and the corporate seal and the name of the Surety is hereto affixed binding them to this obligation this _____day of _____, _____.

PRINCIPAL

SURETY
